47980-1

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 7 No. 3
April 1986

Current Economic Developments in New Mexico

The national economic outlook is upbeat. The economy received a shot in the arm through lower oil prices, helping both consumers and manufacturing. Consumers will boost spending because of more purchasing income due to lower energy costs and mortgage refinancings. The downward spiral in oil prices keeps inflationary expectations nearly dead, as the consumer price index increased at a slight 2.3 percent annualized rate from January to February. Just announced cuts in interest rates that were expected to level out promises good news for Wall Street and also means even lower bond yields, easing difficulties for debt ladened corporations. Residential housing construction is picking up with a 10.7 percent mortgage rate, the lowest rate in over a decade. The plunge in oil prices offsets the descending dollar, allowing more room for a noninflationary cut in interest rates. As evidence on the initial impact of a weaker dollar, imports fell 9.7 percent and exports rose 3.5 percent in February's trade scene over a month earlier.

New Mexico experienced weak nonagricultural job growth in February with a 2.4 percent rise over a year ago. Funding cutbacks in the government sector and job losses in construction, mining and utilities were largely responsible for the state's soft performance. New Mexico's unemployment, at 9.2 percent in February, hardly budged from January's 9.3 percent rate and last year's level. Personal income advanced 4.7 percent during the third quarter of 1985 compared to the third quarter in 1984. As an indicator of weakened activity, new business incorporations in the state fell 4.8 percent in December, 1985 against a year ago, and significantly, declined 12 percent from the previous month. New unemployment insurance claims rose a hefty 7.0 percent in February compared to a year ago but dropped 21 percent in February over January's claims. In contrast to the state's high unemployment rate, New Mexico's three MSA's have rates significantly below the state average, evidence that the urban centers are surpassing the rest of the state in job creation and performance.

The employment picture in Albuquerque was considerably brighter than for the state as the unemployment rate slipped from 6.6 percent in January to 6.2 percent in February. Furthermore, total nonagricultural employment increased by 1,200 jobs during February with the service and government sectors leading the advance. Seasonal job openings in horse racing and at tax firms accounted for the service sector's growth and rehiring of parttime university employees assisted employment gains within the government sector. Conversely, construction and retail employment fell by several hundred jobs. Over the past year the trade and services sector accounted for 70 percent of Albuquerque's job growth, with 600 jobs created in the hotel industry, 700 in business services, 600 in health services, and a whopping 3,000 jobs in retail trade.

The energy dependent southeastern section of the state got socked in February and March by layoffs in transportation and chemical manufacturing, oil and gas affiliated companies, and potash mining. However, the potash industry is currently experiencing a mild turnaround. Jobless rates from January to February climbed in Lea County from 6.1 to 7.6 percent, in Eddy County from 14.3 to 15.9 percent, and in Chaves County from 9.8 to 10.8 percent. Meanwhile, a wave of preliminary unemployment insurance claims in San Juan County (Farmington area) indicate widespread layoffs in the oil industry in that energy dependent part of the state. Oil and gas jobs sank by 1,300 while the mining sector registered a 7.1 percent drop in jobs from January to February. Mining lost 15.7 percent of its jobs compared to a year ago. The situation in the mining sector will get worse before improving. As evidence, Amoco in Farmington plans to cut its exploration budget in half from its current $80 million. There is, however, a revival in the potash industry as AMAX in Carlsbad reopened its mine in late March with 200 workers and Lundberg reopened its mine, employing 325 workers, with another hundred expected to be hired. The revival in potash results from three reasons: a lower dollar making U.S. industry more competitive, the need to replenish fertilizer stocks, and seasonal plantings with increased farm demand.

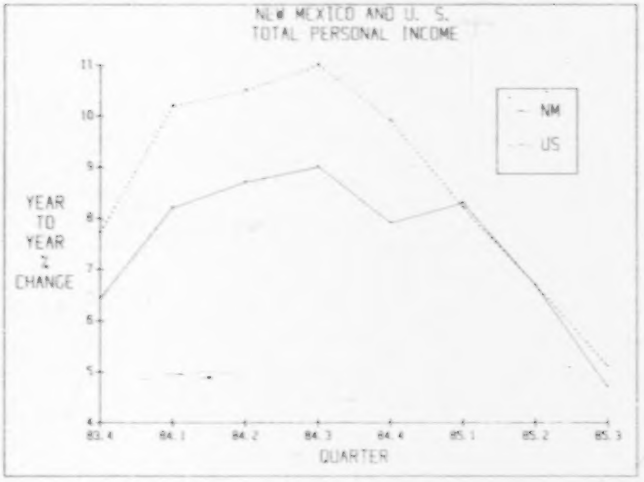
New Mexico's agriculture sector is displaying signs of reviving as shown by a significant 9.3 percent rise in total receipts—15.7 percent jump for crops and a 6.1 percent increase for livestock—in the last 12 month average compared to the previous average. A healthier farm sector certainly is welcome by farmers in eastern New Mexico and the Mesilla Valley.

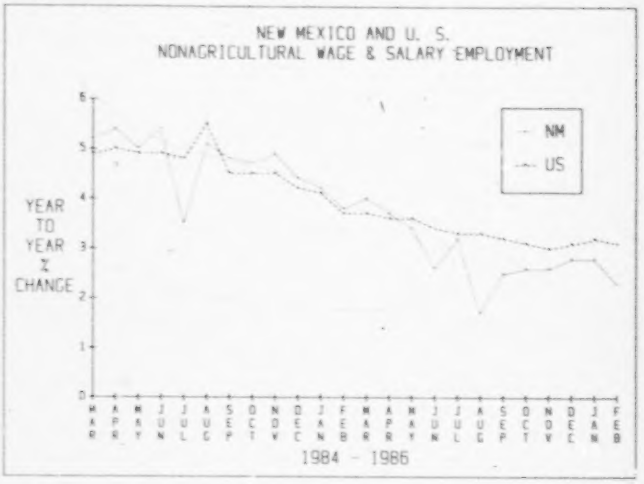
In the construction sector, employment has declined 2.3 percent in February compared to last February's level. The dollar values of residential and nonresidential construction contracts fell steeply, 47.4 and 28.0 percent respectively, from last year's values. Nonbuilding contracts are up 67.5 percent compared to a year ago, though up just 5.9 percent when comparing the last 12 month average to the previous average. But both residential units permitted and their dollar value have risen remarkably compared to a year ago. Yet both are doing worse over the last 12 month average compared to the previous

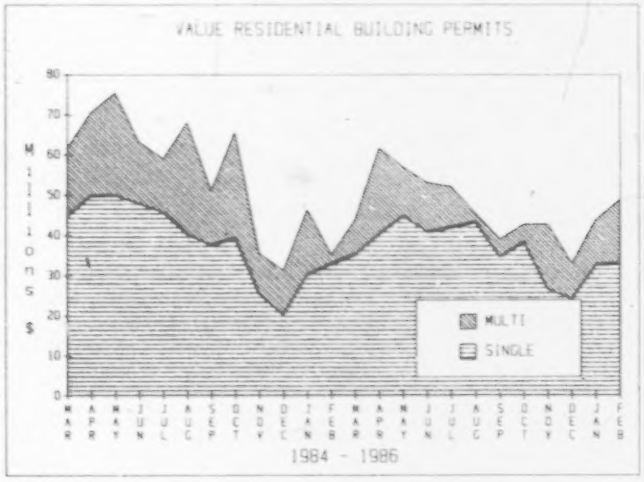
(Continued on page 8)

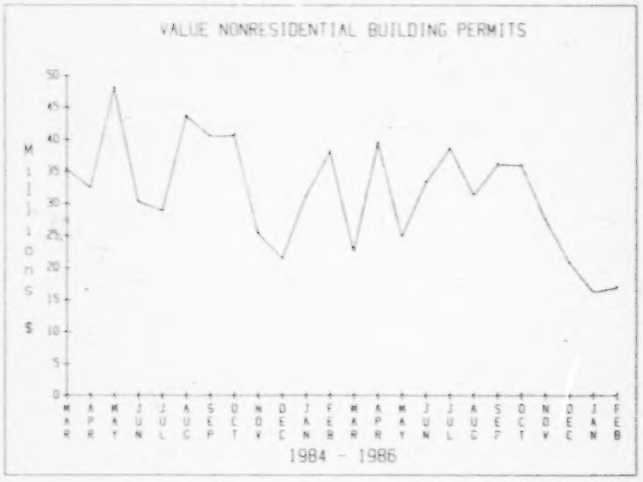
Bureau of Business and Economic Research, Institute for Applied Research Services
The University of New Mexico, Albuquerque, NM 87131
Main Office: (505) 277-2216 Data Bank: (505) 277-6626

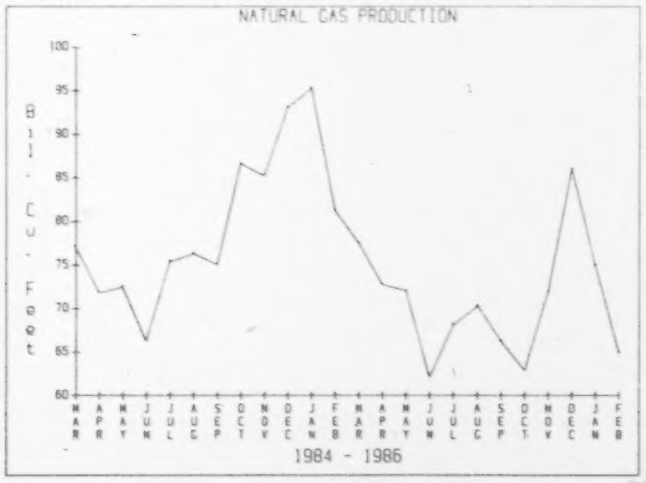
ECONOMIC TRENDS IN NEW MEXICO

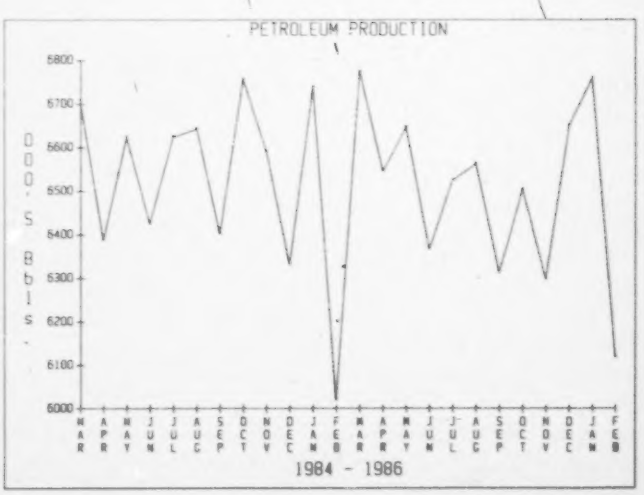












U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Feb 86	327.5	3.2	328.4
Food and beverages	Feb 86	307.7	2.1	307.9
Housing	Feb 86	356.5	3.8	356.8
Apparel and upkeep	Feb 86	204.1	1.1	205.0
Transportation	Feb 86	319.2	1.6	323.9
Medical care	Feb 86	422.3	7.2	418.2
Entertainment	Feb 86	272.0	4.1	270.8
Other goods and services	Feb 86	340.3	6.2	339.1
Revised series, wage earners and clerical workers (1967=100)				
All items	Feb 86	323.2	3.0	324.3
Gross national product* ($Bil. constant)	IV 85	3590.8	2.2	3584.1
Prime interest rate** (% per annum)	Feb 86	9.5	-9.5	9.5
Mortgage interest rate*** (% per annum)	Feb 86	10.7	-12.4	10.9
3 month treasury bill# (% per annum)	Feb 86	7.0	-14.4	7.0
Industrial production## (1977=100)	Feb 86	125.7	1.7	126.5
Manufacturers new orders## ($Bil.)	Jan 86	201.4	3.2	201.2

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Feb 86	594.8	3.2	589.9	106,685	2.0	106,959
Unemployment rate (%)	Feb 86	9.2	1.1	9.3	7.8	0.0	7.3
Nonagricultural employment (000)	Feb 86	519.2	2.4	518.9	98,255	3.2	98,035
Personal income### ($Mil.)	III 85	15,543	4.7	15,456	3,211,584	5.1	3,190,683
Housing units permitted							
Single	Feb 86	534	2.3	525	60,615	7.3	65,306
Multi	Feb 86	698	486.6	683	48,379	7.9	53,190

Note: Selected data items subject to revision.
N Not available.
* 1982 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
\# Rate on new issues within period; bank discount basis.
\## Monthly data seasonally adjusted.
\### Quarterly data seasonally adjusted at annual rates.
Sources: U. S. Department of Labor, News: CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Feb 86	654.9	3.3	650.1	2.7
Total employment* (000)	Feb 86	594.8	3.2	589.9	1.3
Unemployment* (000)	Feb 86	60.1	4.0	60.2	19.6
Unemployment rate (%)	Feb 86	9.2	1.1	9.3	17.2
Weekly new unemployment insurance claims	Feb 86	1691.0	7.0	2134.0	-0.8
Nonagricultural wage/salary employment**(000)	Feb 86	519.2	2.4	518.9	2.9
New business incorporations	Dec 85	233.0	-4.8	264.0	-1.2
Personal income*** ($ mil.)	III 85	15543.0	4.7	15456.0	6.9
2. AGRICULTURAL RECEIPTS					
Livestock and products ($ mil.)	Dec 85	43.8	4.8	105.0	6.1
Crops ($ mil.)	Dec 85	52.9	50.3	48.9	15.7
Total ($ mil.)	Dec 85	96.7	25.5	153.9	9.3
3. MINING					
Employment** (000)	Feb 86	18.2	-15.7	19.6	-6.4
Average hourly earnings ($)	Feb 86	12.10	0.9	12.40	2.6
Petroleum production (000 bbls.)	Feb 86	6118.3	1.7	6754.8	-0.2
Natural gas production (bil. cu. ft.)	Feb 86	64.9	-20.0	74.9	-11.0
Coal production (000 short tons)	Feb 86	1508.0	-6.9	1648.0	-7.4
Oil well completions&	Feb 86	107.0	5.0	147.0	6.2
Gas well completions&	Feb 86	78.0	20.0	73.0	54.9
Total footage drilled&& (000)	Feb 86	1175.0	11.0	1395.5	16.7
Oil sales ($ mil.)	Dec 85	174.7	-0.9	162.5	-10.8
Gas sales ($ mil.)	Dec 85	200.9	-18.6	178.1	-7.9
4. CONSTRUCTION					
Employment** (000)	Feb 86	33.4	-2.3	34.1	0.5
Average hourly earnings ($)	Feb 86	11.90	12.3	10.40	3.9
Residential units permitted	Feb 86	1232.0	92.2	1208.0	-19.4
Residential building permits ($ mil.)	Feb 86	48.8	38.3	44.1	-15.0
Nonresidential building permits ($ mil.)	Feb 86	16.9	-55.6	16.2	-17.3
Residential construction contracts ($ mil.)	Feb 86	42.1	-47.4	49.8	-4.2
Nonresidential construction contracts ($mil.)	Feb 86	33.6	-28.0	54.2	-22.3
Nonbuilding construction contracts ($ mil.)	Feb 86	40.2	67.5	11.4	5.9
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Feb 86	29.1	-3.6	29.0	-1.0
Average hourly earnings## ($)	Feb 86	10.50	-1.8	11.10	4.8
6. MANUFACTURING					
Employment** (000)	Feb 86	36.9	1.4	36.8	1.7
Average hourly earnings ($)	Feb 86	8.40	2.5	8.60	5.0
Electric & electronic equipment employment** (000)	Feb 86	6.5	-4.4	6.5	0.4
Transportation equipment employment** (000)	Feb 86	4.0	8.2	4.1	17.2
Food & kindred products employment** (000)	Feb 86	4.1	5.2	4.1	2.5
Textile & apparel employment** (000)	Feb 86	2.4	0.0	2.3	-4.0
Lumber & wood products employment** (000)	Feb 86	2.5	4.2	2.5	-3.8

NEW MEXICO ECONOMIC INDICATORS (continued)

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	Feb 86	22.9	1.4	22.9	2.7
Retail employment** (000)	Feb 86	101.7	8.1	102.7	5.6
Average hourly earnings ($)	Feb 86	7.10	4.5	6.80	1.6
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Feb 86	25.7	2.4	25.8	3.0
Bank average hourly earnings ($)	Feb 86	5.80	5.5	5.80	3.8
Bank total assets ($ mil.)	II 85	9181.8	6.2	8935.8	5.4
Bank total deposits ($mil.)	II 85	7955.6	7.9	7782.7	5.9
Bank gross loans ($ mil.)	II 85	5466.4	9.4	5370.6	12.2
S & L total assets ($ mil.)	Jan 86	5048.8	16.6	5000.3	14.8
S & L total deposits ($ mil.)	Jan 86	4159.9	16.6	4136.4	17.9
S & L new mortgage loans closed&&& ($ mil.)	Jan 86	110.4	-6.5	116.0	1.5
9. SERVICES AND TOURISM					
Total service employment** (000)	Feb 86	114.9	5.9	114.2	6.3
Lodging employment** (000)	Feb 86	11.4	14.0	11.5	7.6
Eating & drinking places employment** (000)	Feb 86	35.4	6.4	34.7	4.8
Visits to state parks (000)	Dec 85	173.7	12.7	273.1	5.4
Visits to national parks/monuments (000)	Feb 86	73.3	8.2	79.1	2.5
Passenger traffic at Albuquerque airport@ (000)	Feb 86	263.8	5.6	285.6	10.6
Lodgers tax receipts ($ 000)	III 85	1995.1	N		N
Lodging occupancy rates (%)	Feb 86	48.6	-22.2	44.8	-6.3
10. GOVERNMENT					
Total government employment** (000)	Feb 86	136.4	1.2	133.8	1.6
Federal employment** (000)	Feb 86	28.8	-3.3	28.9	-1.0
State employment** @@ (000)	Feb 86	49.4	3.8	47.3	3.8
Local employment** (000)	Feb 86	58.2	1.4	57.6	1.3
Total general fund revenues&&& ($ mil.)	Jan 86	140.5	37.1	106.1	2.5

N Not available.
Note: selected data items subject to revision.
* Number of persons by place of residence.
** Number of jobs by place of work.
*** Quarterly data seasonally adjusted at annual rates.
& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.
&& Oil and gas combined.
&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.
# For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.
Communications and utilities only.
@ Passenger traffic includes enplanements and deplanements.
@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.
&&& Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Energy, Energy Information Administration: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Parnell, Kerr and Forster: Section 9;
New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

	CURRENT 3 MONTH AVERAGE* DEC-FEB	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* SEP-NOV
Alamogordo	$ 15,072	8.4	$ 13,562
Albuquerque	249,190	13.2	230,572
Artesia	6,885	11.6	5,800
Carlsbad	14,387	11.1	12,831
Clovis	18,019	14.7	14,691
Deming	4,869	3.4	4,354
Espanola	7,296	5.0	7,200
Farmington	33,139	1.8	29,575
Gallup	21,175	4.2	22,162
Hobbs	21,724	-7.2	21,041
Las Cruces	35,837	0.6	32,425
Las Vegas	6,064	2.5	5,992
Los Alamos	6,357	8.3	6,432
Lovington	4,604	-23.7	4,326
Portales	5,813	-7.6	5,808
Roswell	20,965	5.6	18,020
Ruidoso	5,392	-7.4	6,208
Santa Fe	46,464	12.2	48,586
Silver City	7,296	3.7	7,865
Taos	6,784	3.0	7,769
State total	670,001	8.1	638,857

\# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS ($000)			
	FEB. 86	FEB. 85	CUMULATIVE TOTAL THROUGH FEB. 86	CUMULATIVE TOTAL THROUGH FEB. 85	FEB. 86	FEB. 85	CUMULATIVE TOTAL THROUGH FEB. 86	CUMULATIVE TOTAL THROUGH FEB. 85
RESIDENTIAL								
Alamogordo	34	21	54	41	$ 1,675	$ 941	$ 2,671	$ 1,808
Albuquerque	783	250	1,555	840	25,531	13,532	46,405	36,795
Carlsbad	4	4	8	6	213	197	407	378
Clovis	12	3	18	13	647	261	999	649
Farmington	7	10	18	29	267	315	687	931
Hobbs	8	7	9	10	363	373	465	568
Las Cruces	79	46	123	144	3,218	3,560	5,705	6,459
Los Alamos	5	5	5	9	455	600	455	930
Rio Rancho**	117	128	213	220	4,682	6,768	9,255	11,818
Roswell	7	11	15	20	242	866	457	1,360
Ruidoso	2	5	78	17	110	598	2,823	1,573
Santa Fe	17	16	37	39	1,546	1,134	2,730	2,287
NONRESIDENTIAL r								
Alamogordo	8	9	14	17	36	117	69	380
Albuquerque	6	19	12	54	3,482	24,313	10,308	36,127
Carlsbad	8	8	14	13	191	642	235	650
Clovis	1	5	7	6	34	1,058	339	2,694
Farmington	1	1	2	4	107	10	167	225
Hobbs	0	1	6	2	0	112	716	186
Las Cruces	14	14	28	29	849	398	2,510	2,225
Los Alamos	9	1	10	3	2,526	2	2,526	3
Rio Rancho**	2	2	3	3	518	120	708	340
Roswell	2	9	11	16	1	40	48	92
Ruidoso	1	1	1	4	1,147	785	1,147	1,093
Santa Fe	7	3	7	8	481	704	481	2,969

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.
* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.
** AMREP reported data.
r 1985 data is revised.
Sources: AMREP, Inc.: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	FEB. p	% CHANGE YEAR AGO	JAN. r	FEB. p	% CHANGE YEAR AGO	JAN. r	FEB. p	% CHANGE YEAR AGO	JAN. r	FEB. p	% CHANGE YEAR AGO	JAN. r
TOTAL CIVILIAN LABOR FORCE	654.9	3.3	650.1	248.7	4.5	246.2	51.8	6.4	51.4	61.5	7.9	61.4
Employment@	594.8	3.2	589.9	233.2	5.1	230.0	47.8	7.0	47.3	57.9	7.7	57.8
Unemployment	60.1	4.0	60.2	15.5	-3.7	16.2	3.9	0.0	4.0	3.6	12.5	3.6
Unemployment rate (%)	9.2	1.1	9.3	6.2	-7.4	6.6	7.6	-6.1	7.9	5.9	5.4	5.9
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	519.2	2.4	518.9	223.6	4.1	222.4	38.1	5.6	38.0	51.3	6.5	51.3
Mining	18.2	-15.7	19.6	0.3	50.0	0.3	N	N	N	0.2	0.0	0.2
Contract construction	33.4	-2.3	34.1	17.7	8.0	17.9	2.5	4.2	2.5	3.2	3.3	3.2
Manufacturing	36.9	1.4	36.8	19.3	1.6	19.2	2.9	-9.3	2.9	1.7	21.5	1.7
Durable goods	24.0	1.3	24.0	13.7	0.8	13.7	1.2	0.0	1.2	1.0	25.0	1.0
Nondurable goods	12.9	1.6	12.8	5.6	3.8	5.5	1.7	-14.9	1.7	0.7	16.7	0.7
Transportation & public utilities	29.1	-3.6	29.0	12.2	0.9	12.2	1.4	0.0	1.4	1.1	0.0	1.1
Trade	124.6	6.8	125.6	56.9	5.8	57.3	7.9	8.3	8.0	9.7	18.3	9.7
Wholesale	22.9	1.4	22.9	14.1	0.8	14.1	0.8	0.0	0.9	0.7	16.7	0.7
Retail	101.7	8.1	102.7	42.8	7.6	43.2	7.1	9.3	7.2	9.0	18.5	9.0
Finance, insurance, & real estate	25.7	2.4	25.8	13.5	4.7	13.5	1.6	14.3	1.6	2.0	5.3	2.0
Services	114.9	5.9	114.2	58.7	5.6	57.9	5.5	7.9	5.5	12.1	0.9	12.1
Government	136.4	1.2	133.8	45.0	0.5	44.1	16.3	5.9	16.2	21.4	6.5	21.4
Federal	28.8	-3.3	28.9	12.8	0.8	12.6	4.6	0.0	4.7	1.5	-6.2	1.5
State	49.4	3.8	47.3	13.3	0.8	12.8	6.5	10.2	6.4	16.2	9.5	16.2
Local	58.2	1.4	57.6	18.9	0.0	18.7	5.2	6.2	5.1	3.7	0.0	3.7

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Santa Fe and Los Alamos Counties.
@ Includes labor disputes.

Source: New Mexico Employment Security Department.

AVERAGE ANNUAL PAY*
SOUTHWEST AND ROCKY MOUNTAIN REGION

	1983	1984p	%** CHANGE 1983-1984	NATIONAL RANK# 1984
SOUTHWEST				
Arizona	$16,667	$17,349	4.1	25
New Mexico	15,930	16,426	3.1	33
Oklahoma	17,155	17,625	2.7	20
Texas	18,131	18,864	4.0	8
ROCKY MOUNTAIN				
Colorado	$18,100	$18,774	3.7	10
Idaho	15,243	15,793	3.6	39
Montana	15,215	15,521	2.0	41
Utah	16,513	17,201	4.2	23
Wyoming	17,870	18,322	2.5	14
U. S. AVERAGE	$17,545	$18,350	4.6	N

AVERAGE ANNUAL PAY*
SELECTED WESTERN MSAS##

	1983	1984p	%** CHANGE 1983-84	RANK@ BY 1984 AVERAGE ANNUAL PAY	RANK@ BY % CHANGE 1983-84
Albuquerque	$16,673	$17,227	3.3	150	225
Amarillo	16,283	16,966	4.2	162	162
Austin	16,446	17,626	7.2	127	9
Colorado Springs	15,877	16,615	4.7	183	120
El Paso	14,296	14,761	3.2	278	235
Las Cruces	15,045	15,196	1.0	268	303
Salt Lake City-Ogden	16,996	17,632	3.7	126	201
Santa fe	15,132	15,744	4.0	244	182
Tucson	16,364	16,940	3.5	166	212

N Not applicable.
p Preliminary.
* Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.
** Percent changes were computed from unrounded average annual pay data and may differ from those computed using data rounded to the nearest dollar.
# These are rankings out of fifty states. In other words, the District of Columbia is excluded.
Includes data for Metropolitan Statistical Areas as of June 30, 1985.
@ Based on 316 areas.
@@ Based on 315 areas.

Source: U. S. Dept. of Labor, Bureau of Labor Statistics.

Economic Developments . . .

(Continued from page 1)

average. These discrepancies show up because much recent and upcoming residential construction activity is in the works, as lower mortgage rates allow more prospective buyers to qualify and thus stimulate demand. Another indicator of strong activity is the sizable increase in hourly earnings, which in February was at $11.90 per hour, a 14.4 percent jump over January's 10.40 per hour. Besides larger commercial construction projects already in progress, new office buildings will be smaller and of less total dollar value.

Manufacturing still is sluggish with an overall 1.4 percent increase over last year. Over the last year the electronics industry showed barely any employment growth in New Mexico. Jobs in the textile and wood industries have also declined over the last 12 month average compared to the previous average. Only transportation manufacturing made any significant employment advances over the same period. The lagged impact of the weaker dollar on U.S. manufacturers has yet to take effect, particularly for the electronics industry.

Employment in retail trade, aside from seasonal layoffs, made hefty gains in New Mexico over a year ago, reflected by the number of new and expanded strip shopping centers. Apparently, developers plan to build more strip centers this year. As evidence of retail's strength, Walmart recently opened two stores, one in Carlsbad and another in Ruidoso. The drop in prices of oil and gas at the pump and refinancing of mortgages, meanwhile, will fill consumer pockets with extra disposable income and further fuel retail trade, just as the number of stores approached saturation in some parts of the state.

Although some energy dependent parts of New Mexico will certainly suffer, the state looks like it will weather the decrease in energy activity and lower revenues. Even as state and local governments practice restraint, the economic picture for New Mexico will not be so bleak as originally assessed, but don't expect a boom either.

Richard Zimmerman
Economist

COUNTY PROFILES NOW AVAILABLE

The Bureau of Business and Economic Research has tabulated two-page county profiles for each of New Mexico's 33 counties. Information has been updated through 1984, where possible. They contain figures on land area, climate, population (age, race, totals and projections), education, income, poverty, housing, employment, gross receipts, construction, agriculture, mining, finance and tourism. Each profile costs $.50 plus $3.00 postage and handling for mail out requests. For more information call the Data Bank at 277-6626.

Bureau of Business and Economic Research
Institute for Applied Research Services
The University of New Mexico
Albuquerque, NM 87131
(505) 277-2216

NON-PROFIT ORGANIZATION
U.S. POSTAGE
PAID
ALBUQUERQUE, N.M.
PERMIT NO. 962

ED KIANKA
CONGRESSIONAL INFO. SER.
SRI ACQUISTIONS
SUITE 800
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814

Subscription Price $15.00 per year.
Single Copies $1.85